

# EUROPEAN BACKGROUND INFORMATION COMMUNITY

## EUROPEAN COMMUNITY INFORMATION SERVICE

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July 9, 1976

AGRICULTURAL BACKGROUND NOTE

No. 6/1976

### DROUGHT ERODES EUROPEAN COMMUNITY'S HARVEST HOPES

The worst drought on record will mean poor harvests for the European Community this year. Petrus J. Lardinois, EC Commissioner for agriculture, held a news conference in Brussels today, and reported on the following crops:

- Grain. The 1976 harvest could fall 5 per cent short of 1975's mediocre harvest of 97 million tons.
- Sugar. Instead of the 11 million tons harvest predicted a few months ago, production will reach 9.5 million tons at the most. If the drought continues, the harvest could fall below 9 million tons. However, because of stocks and deliveries of about 1.2 million tons from African, Caribbean, and Pacific countries which are parties to the Community's Lome Convention, there should not be any shortages.
- Potatoes. Unless rain comes soon, shortages like last winter's will occur.
- Fruits and vegetables. Production could drop slightly, while demand has been and will continue to be much stronger.
- Beef. This market has the most problems. More animals than usual have had to be slaughtered because of fodder shortages, and at the same time, people are eating less beef. Price support measures taken by the Commission have offset to some degree the effects of steeply falling prices.
- Milk. Despite recent decreases, overall production this year will be about the same as last year. There will be another surplus.

Summing up, Lardinois said the drought should not seriously affect consumer prices for basic foods, such as bread, milk, sugar, and meat. On the other hand, for the prices of potatoes, fruit and vegetables, and a few minor products, some surprises could be in store.